San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

HEALTHY AIR LIVING™

Samir Sheikh
Executive Director
Air Pollution Control Officer

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4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400 • FAX (209) 557-6475

Central Region Office
1990 East Gettysburg Avenue
Fresno, CA 93726-0244
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34946 Flyover Court
Bakersfield, CA 93308-9725
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www.valleyair.org

DATE: August 20, 2026

TO: SJVUAPCD Governing Board

FROM: Samir Sheikh, Executive Director/APCO
Project Coordinator: Mark Montelongo

RE: ITEM NUMBER 23: APPROVE AGREEMENT WITH HB STRATEGIES FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED $112,320

RECOMMENDATION:

Approve the attached agreement with HB Strategies for federal legislative advocacy for a one-year term commencing September 1, 2026, and ending August 31, 2027, for an amount not to exceed $112,320.

BACKGROUND:

Since December 2006, the District has maintained continuous federal representation in Washington, D.C. in its efforts to obtain federal resources for emission reduction incentive programs and policy changes to improve air quality in the San Joaquin Valley. While the District's advocacy team has practiced under several firm names over that period, most recently consolidating into what is now HB Strategies, Lynn Jacquez has served as the District's principal advocate for many years and continues to lead the engagement today. Under this agreement, HB Strategies will continue to serve as the District's federal advocacy consultant, providing experienced representation and continuity in advancing the District's federal priorities.

To date, working with our congressional delegation, the District has secured over $170 million to fund diesel emission reductions through the Environmental Protection Agency budget, over $200 million in air quality funding for non-attainment areas in the Farm Bill, funding for air quality monitors, and funding for Valley-specific air quality research to guide development of the District's air quality management strategies. Additionally, the District has been successful in educating federal agencies about the Valley's air quality challenges and helping to develop federal policies and programs that are more responsive to the Valley's needs.

Over the past year, the District, in conjunction with HB Strategies, has been very active in advocating on the District's behalf. During this period, the District has continued to work to secure full EPA approval of the District's rules and attainment plans, and has pursued opportunities for more effective and efficient implementation of Federal Clean Air Act mandates that will serve to expedite air quality improvements and protect public health. The District has also continued advocacy for increases in incentive funding through the Diesel Emission Reduction Act, the Targeted Airshed Grant Program, and other federal funding opportunities, and HB Strategies has assisted the District in identifying, pursuing, and applying for competitive federal grant opportunities to support clean air projects and initiatives throughout the Valley. Additional efforts included advocating for mobile source emissions reductions, and enhanced forest management resources and practices to reduce the air quality impacts associated with wildfires.

HB Strategies' representation of the District has consistently been at a high professional level and enabled the District to achieve the above-described results. Looking ahead, the coming year will include a number of other federal legislative and policy issues that impact air quality, as included in your Board approved Legislative Platform:

- Work with the administration, including EPA, to advance streamlined and efficient implementation of Clean Air Act mandates.
- Obtain federal resources in the form of grants and air quality incentives to allow the District to meet the aggressive air quality attainment timelines established by the Clean Air Act.
- Support adequate resources and policies to reduce the impact of wildfires and their attendant public health impacts.
- Advocate for the continuation of air quality funding in the Farm Bill and through sustainable agriculture initiatives.
- Support federal reauthorization of surface transportation programs that provide funding for emissions reductions, clean vehicle deployment, and associated fueling infrastructure in the San Joaquin Valley.
- Advocate for full funding of the Environmental Protection Agency's Diesel Emission Reduction and Targeted Airshed Grant Programs, which provide incentive funding for diesel emission reduction projects.
- Support the establishment of new strategies to further reduce emissions from mobile sources.
- Secure full EPA approval of the District's attainment plans and ensure that the Valley is not subjected to punitive permitting and highway sanctions under the Federal Clean Air Act.

- Seek federal resources for alternatives to agricultural burning, including on-field practices (e.g., whole orchard recycling), composting, advanced bioenergy, and other clean air practices or technologies.

Through this long-standing engagement, the District's federal advocacy team, now at HB Strategies, has built and maintained in-depth knowledge of the District's complex and challenging air quality issues, along with the proven ability to advocate effectively and communicate clearly with members of Congress and their staff, as well as with leadership and staff from numerous federal agencies, regardless of the political party in power. This history has fostered an intricate understanding of the District's strategic priorities and unique nonattainment challenges under the Federal Clean Air Act, challenges that carry the looming threat of significant sanctions if compliance milestones are not met. In this context, retaining a representative with established credibility and well-developed relationships in Washington is critical to advancing the District's legislative, regulatory, and policy objectives

In evaluating options for continued representation, staff reviewed recent federal advocacy contracts from other similar agencies and found them generally to be significantly more expensive than the proposed $112,320 annually from HB Strategies. Beyond cost, a change in representation would require a lengthy onboarding period for any new firm to become familiar with the District's history, legal context, and stakeholder environment, and would interrupt federal advocacy during a critical period for the District's attainment planning and sanction-avoidance efforts. HB Strategies, by contrast, is already fully versed in the District's priorities and maintains active working relationships with key federal policymakers and regulators. Given the specialized nature of this work and the immediate need for ongoing, informed representation in Washington, it is unlikely that an open competitive process would yield a better-qualified or more cost-effective option. Based on its institutional knowledge, proven track record of securing favorable outcomes for the District, and competitive cost structure, HB Strategies is the clear and most advantageous choice for the District's continued federal representation at this time.

Approval of this item will allow HB Strategies to continue their efforts on behalf of the District.

FISCAL IMPACT:

The contracted amount of the agreement is for an amount not to exceed $112,320 for services, representing a four percent increase ($4,320) from the 2025-26 contract amount of $108,000 in recognition of increased costs. Consistent with the terms of the agreement, District-required travel by the Consultant is reimbursable for actual and incurred expenses in accordance with Section 13 of the District's Administrative Code, and such reimbursement is in addition to the contracted amount for services. The District's 2026-27 Budget contains sufficient appropriations for this agreement; therefore, no modification to the Adopted Budget is necessary.

Attachment: HB Strategies Agreement (9 pages)

San Joaquin Valley Unified Air Pollution Control District
Meeting of the Governing Board
August 20, 2026

APPROVE AGREEMENT WITH HB STRATEGIES FOR FEDERAL LEGISLATIVE ADVOCACY FOR AN AMOUNT NOT TO EXCEED $112,320

Attachment:

HB Strategies Agreement
(9 PAGES)

AGREEMENT FOR SPECIALIZED CONSULTING SERVICES

This Agreement is made and entered into this 20th day of August, 2026, by and between the SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT, hereinafter referred to as “District” and HB STRATEGIES, hereinafter referred to as (“Consultant”).

W I T N E S S E T H:

WHEREAS, the District has need for specialized services of a consultant with expertise in government relations to advise the District and to represent the District in encouraging reasonable implementation of National Ambient Air Quality Standards, seeking appropriations from Congress to fund the retrofit, scrapping, and replacement of mobile source equipment in a timeframe to allow the valley to reach Clean Air Act attainment timelines, track and inform the District of funding opportunities through various federal agencies, pursue policy initiatives with the Environmental Protection Agency, ensure the continuation and expansion of air quality funding in the Farm Bill, and support policies and initiatives that would encourage rapid disposal of the fuel supply in the National Forest and National Parks; and

WHEREAS, Consultant represents that Consultant is specially trained, experienced, and has such expertise, and is uniquely qualified to represent the District’s specialized interests at the federal level; and

WHEREAS, the District reasonably relies upon such representations of Consultant, and therefore desires to reduce the understanding of the parties to a formal agreement; and

WHEREAS, such specialized expertise in legal services are not otherwise presently available to the District.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions herein contained, the parties hereto agree as follows:

1. CONTRACTING OF SERVICES

The District shall employ Consultant as an independent contractor to represent the

District as its legislative advocate in the following matters:

- Reasonable Implementation of National Ambient Air Quality Standards.
- Advance the District's approach to provide for a more reasonable implementation of National Ambient Air Quality Standards by prioritizing public health.
- Obtain federal resources in the form of grants and air quality incentives to allow the District to meet the aggressive air quality attainment timelines established by the Clean Air Act.
- Seek funding for conducting policy-relevant research to assist in the development and implementation of effective emission reduction strategies.
- Support the establishment of appropriate federal standards for light, medium, and heavy-duty vehicles.
- Support legislation that preserves and increases funding for air quality incentive programs.
- Support policies and initiatives that would encourage rapid disposal of the fuel supply in the National Forest and National Parks.
- Seek funding and other support from the Environmental Protection Agency to install and operate additional air quality monitoring instruments throughout the San Joaquin Valley.
- Enhanced coordination with the Environmental Protection Agency on implementation guidance as it relates to new air quality standards and working to ensure timely approval of District State Implementation Plan submittals.
- Support efforts that provide for cost-effective alternatives to agricultural burning including subsidies and/or preferential utility rates for power produced from biomass and additional research to identify other technology and economically feasible alternatives.
- Support the continuation of air quality funding in the Farm Bill that is designed to accelerate the replacement of agricultural equipment.
- Support the inclusion of agricultural sustainability funding in the Farm Bill.

- Support energy efficiency/alternative energy policies and initiatives that will result in emissions reductions and cost effective alternatives to burning agricultural waste, including composting, advanced bioenergy, and other clean air practices or technologies.
- Support federal reauthorization of surface transportation programs that provide funding for emissions reductions, clean vehicle deployment, and associated fueling and charging infrastructure in the San Joaquin Valley.
- Develop a funding strategy; working with key congressional sponsors of the District's appropriations requests.
- Develop, in conjunction with District staff, written materials for distribution to key congressional and agency staff regarding the funding needs of the District.
- Assist in developing testimony, as necessary, for submission to key congressional appropriation subcommittees.
- Arrange congressional and agency visits for the District, including the potential for "virtual" meetings using video teleconferencing systems.
- Seek agency budget requests for incentive program monies.
- Develop support from other industry and government groups, as necessary.
- Maintain contact with key appropriations staff persons regarding appropriations requests.

These activities shall be provided through the services of key consultant HBS and its employees consultants, and such other partners, associates, and subcontractors employed by said firm as Consultant deems necessary. It is understood that Consultant may not replace the aforementioned key consultant without the express, written approval of the District or its designee. In case of death, illness, or incapacity of the key consultant, Consultant shall provide a replacement of at least equal professional ability and experience as the key consultant replaced, subject to the express, written approval of the District or its designee.

Primary contacts for the District under this Agreement shall be Samir Sheikh, Executive Director/APCO and Mark Montelongo, Director of Policy and Government Affairs. Consultant will consult these contacts regularly and keep them fully apprised of significant developments as the government relations effort proceeds.

2. PERFORMANCE BY CONSULTANT

Consultant agrees to avoid any unnecessary or duplicative efforts on the part of Consultant and Consultant's staff in the performance of services for the District.

In performance of the legal services identified in this Agreement, Consultant shall provide only those services which are necessary to carry out such work in an efficient and effective manner.

3. COMPENSATION OF CONSULTANT

District shall be obligated to compensate Consultant pursuant to the terms and conditions of this Agreement only for the performance of those consulting services, to the reasonable satisfaction of the District, identified in this Agreement which are performed on or after September 1, 2026.

It is understood that the District shall not be obligated to compensate Consultant for any work, services, or functions performed by Consultant which do not arise directly from the performance of the legal services tasks identified in this Agreement.

A. <u>Consultant Fees</u>

District agrees to pay and Consultant agrees to accept as full compensation for performance of legal services the sum of Nine Thousand Three Hundred Sixty Dollars ($9,360.00) per month.

The total amount of this contract shall be a maximum of One Hundred and Twelve Thousand Three Hundred Twenty Dollars ($112,320). Additional expenditures must be expressly authorized by the District through an amendment to this Agreement; however, should the District require Consultant to travel the District will reimburse Consultant based upon the procedures and amounts identified in the Section 13 of the District Administrative Code. Such reimbursement shall be in addition to the contracted amount.

Consultant shall maintain accurate time records. The District shall be billed monthly. The consultants assigned to the District's matters may confer among themselves about the matters herein, as required.

B. Payment

Payment for services shall be made by the District within thirty (30) days after Consultant's submission of a valid itemized invoice by Consultant to the District and approval thereon in accordance with procedures established by the District.

C. Invoicing

Consultant shall present the District a bill monthly, in arrears, no later than the tenth (10th) of the month following the month services were rendered. Such invoices shall have sufficient itemization and detail as may be required by District. Consultant shall keep complete records showing the hours worked, together with all out-of-pocket costs, charges and expenses applicable to the work provided under this Agreement. The District fiscal officer, or his/her duly authorized representative, shall be given reasonable access to all of these records for the purposes of audit of this Agreement.

4. TERM OF AGREEMENT

This Agreement shall be effective from September 1, 2026 to August 31, 2027. Either party may terminate this Agreement at any time, either in whole or in part. However, if Consultant elects to terminate, the District's rights under any pending activity or hearing which may arise from Consultant's services hereunder shall not be prejudiced due to such termination. Consultant shall be paid for all services performed pursuant to the terms and conditions of this Agreement, to the date of termination, which are performed to the reasonable satisfaction of the District.

5. NON-ALLOCATION OF FUNDS

The terms of this Agreement and the services to be provided thereunder are contingent on the approval of funds by the appropriating government agency. Should sufficient funds not be allocated, the services provided may be modified or this Agreement terminated at any time by giving Consultant thirty (30) days' prior written notice.

6. INDEPENDENT CONTRACTOR

In performance of the work, duties, and obligations assumed by Consultant under this Agreement, it is mutually understood and agreed that Consultant, including any and all of Consultant's officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the District.

Furthermore, the District shall have no right to control or supervise or direct the manner or method by which Consultant shall perform this Agreement, except that the District may review the work of Consultant so as to verify that Consultant is performing its obligations in accordance with the terms and conditions thereof. Consultant and the District shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, Consultant shall have absolutely no right to employment rights and benefits available to District employees. Consultant shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employment benefits. In addition, Consultant shall be solely responsible and save the District harmless from all matters relating to payment of Consultant's employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, Consultant may be providing services to others unrelated to the District or to this Agreement.

7. CONFLICT OF INTEREST

Given the scope of the Consultant's business and representations, it is possible that some present or future clients may have matters somehow adverse to the District while the Consultant is representing the District. The Consultant understands that the District has no objection to the Consultant's representation of parties with interests adverse to the District's interests and waives any actual or potential conflict of interest as long as those other engagements are not substantially related to the Consultant's

SJVUAPCD
1990 E. Gettysburg
Fresno, CA 93726
(559) 230-6000

services to the District.

The Consultant agrees, however, that the District's consent to, and waiver of, such representation shall not apply in any instance where, as a result of Consultant's representation of the District, Consultant has obtained proprietary or other confidential information of a non-public nature, that, if known to such other party represented by the Consultant, could be used in any such other matter by such party to the client's material disadvantage or potential material disadvantage. By agreeing to this limited waiver of any claim of conflicts as to matters unrelated to the subject matter of the Consultant's services to the District, the District also agrees that the Consultant is not obliged to notify the District when it undertakes such matter that may be adverse to the District.

Similarly, new lawyers and professionals periodically join the Firm. These lawyers and professionals may have represented parties adverse to the District while employed by other law firms or organizations. The Consultant assumes consistent with ethical standards, that the District has no objection to the Consultant continuing the representation of the District notwithstanding the prior representations of any new lawyers or professionals who join the Firm.

Consultant warrants and represents that it has conducted a search of its current and past clients, and knows of no conflict of interest in its representation of District that would preclude Consultant from representing District under the terms of this Agreement.

8. HOLD HARMLESS

Consultant shall hold the District, its officers, and employees harmless and indemnify and defend District, its officers, and employees against payment of any and all costs and expenses, claims, suits, losses, damages, and liability arising from or arising out of any negligent or wrongful acts of omissions of Consultant, or its officers, agents, or employees in performing or failing to perform the services provided herein.

9. INSURANCE

Consultant shall maintain in force during the term of this Agreement a policy of professional liability insurance with limits in amounts acceptable to the District.

10. NOTICES

Notice shall be given to the parties at their respective addresses below set forth, unless another address has been designated by such party in the same manner as notices are given hereunder, by first class United States Mail, postage prepaid:

District
Samir Sheikh
Executive Director/APCO
San Joaquin Valley Unified Air Pollution Control District
1990 E. Gettysburg Avenue - Fresno, California 93726

Consultant
HB Strategies
733 10th Street NW, Suite 900 - Washington, D.C. 20001

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11. BINDING UPON SUCCESSORS

This Agreement, shall be binding upon the District and Consultant or their successors, executors, administrators, legal representative, and assigns with respect to all covenants and conditions set forth. Neither party shall assign, transfer, or subcontract this Agreement nor its rights or duties hereunder without the written consent of the other.

12. AMENDMENTS

This Agreement may only be amended in writing signed by the parties hereto.

13. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the District and Consultant with respect to the specialized legal services to be provided herein and supersedes any previous misunderstanding or agreement concerning the subject matter hereof, negotiations, proposals, commitments, writings, or understandings of any nature whatsoever unless expressly included in this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first hereinabove written through their respective duly-appointed and authorized representatives.

CONSULTANT

HB Strategies

By [signature]
Andy Blunt, CEO

35-2612034
Tax I.D. No.

For accounting use only:

Fund: 100

Account No: 6660

Dept: 10-11

DISTRICT

SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

By ______________________
Amy Shuklian, Chair

Recommended for Approval:
SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

____
Samir Sheikh
Executive Director/APCO

Approved as to accounting form:
SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

____
Mario Orosco
Director of Administrative Services

Approved as to legal form:
SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

____
Annette Ballatore
District Counsel